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POLICY ISSUES: GOVERNANCE OF THE UNITED NATIONS ENVIRONMENT PROGRAMME

Assessment of the functioning of the secretariat of the United Nations Environment Programme

Note by the Executive Director

1. The Executive Director has the honour to transmit herewith the report on the assessment of the functioning of the secretariat prepared by the Committee of Permanent Representatives in accordance with Governing Council decision 19/29 B.

2. The report is reproduced as it was received by the Governing Council secretariat, without formal editing.

* UNEP/GC.20/1.

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9 November, 1998

19/29 B. Assessment of the functioning of the secretariat of the United Nations Environment Programme.

I. Introduction

II. The Secretariat. Assessment of management and relationships

III.1. UNEP. Structure and practices

III.2. UNON. Administrative matters

III.3. Secretariat/CPR/Governments

III.4. Regional offices/Convention secretariats

IV. Annex

I. Introduction

1. The Governing Council decision 19/29 B requested the Committee of Permanent Representatives (CPR) to make an assessment of the functioning of the secretariat of the United Nations Environment Programme (UNEP). The term secretariat in this report is understood as being UNEP and the parts/elements of UNON which are serving and have direct impact on the work and the function of UNEP.

2. Decision 19/29 B should be seen as a part of the reform process in UNEP focusing mainly on the working methods of the secretariat. Closely related to this process, but at the same time clearly distinguished from it, is the structural reform dealt with in earlier discussions and conclusions on governance.

3. CPR, at its 63rd meeting held on 15 July 1998 decided to establish a working group which was chaired by Mr. S. Mehli, Norway, with Mr. El Kouny, Egypt, as rapporteur. The working g roup had three core members from each regional group and met six times. The agreed Terms of Reference are attached as annex 1.

4. During the 1996-67 biennium, UNEP faced a substantial reduction in the contributions to the Environment Fund compared to previous years. The reason was mainly dissatisfaction with management and the performance of the secretariat. The decline in contributions had serious implications for the organization leading to severe reductions in staff and adjustments to the programme. This led UNEP into a protracted process of restructuring. The CPR also questioned the practice of hiring consultants, filling of posts, a top-heaviness and lack of proper delegation of responsibilities in the top management, as well as a complicated and fragmented internal organizational structure. At the same time, the top management were seen to be attending too many functions outside Nairobi, especially at this critical juncture of the organization.

5. The CPR regularly expressed concern to UNEP about the lack of transparency of the UNEP-secretariat. A lack of trust and confidence in the CPR led to restrictive instructions from the last Executive Director to UNEP staff not to talk to any diplomat without proper authorization. This situation undermined proper communication between the CPR and the secretariat, and weakened the ability of the CPR to provide proper and timely advice to capitals.

6. The CPR felt that the recommendations on the operations of the secretariat submitted by the Board of Auditors in their biennial reports should be dealt with promptly.

7. UNEP experienced difficulties in living up to its expectations on the UNCED approved mandate and coordination responsibilities and to the UN reform process. A team from the Office of Internal Oversight Services (OIOS), visiting Nairobi in September 1996, conducted a review of UNEP and UNON. The recommendations of the OIOS report suggested considerable room for improvement and streamlining. This together with the observations made by the CPR itself, result in the Governing Council decision 19/29 B.

II. Ongoing reform and restructuring activities

8. In paragraphs 123 and 124 of the Programme for the further Implementation of Agenda 21, adopted by the Special Session of the General Assembly in June 1997, it was agreed that the role of UNEP should be revitalized taking into account its catalytic responsibilities, and in conformity with the Nairobi Declaration, by making UNEP the leading environment authority that sets the global environmental agenda. Such a revitalized UNEP should focus on environmental issues, taking into account the developing agenda and be supported by adequate, stable and predictable funding. Special areas to be strengthened were the development of coherent interlinkages among relevant environmental conventions and effective implementation of those conventions.

9. The August 1998 OIOS-report and the Board of Auditors report for the 1996-97 biennium, put forward a number of recommendations which should be implemented without delay.

10. The Executive Director introduced a draft for a new organizational structure of the secretariat and UNON during the Fifth Special Session of the GC in May 1998 with a view to focusing the programme and clearly identifying priority areas. It is expected that the new structure will lead to greater coordination and will clarify defined areas of responsibility and authority for the different units.

11. At the same session, the Executive Director announced the transfer of the Program Support Services of UNEP to UNON. Day to day authority would be delegated using clear lines of responsibility, clarifying objectives, performance standards and appropriate oversight mechanisms.

12. The UN Task Force on Environment and Human Settlements proposed that the United Nations Office at Nairobi be strengthened and provided with sufficient resources from the regular UN-budget. UNEP, Habitat and UNON should time being continue to be directed by one person. Recommendations were also made on unifying the administrations of UNEP, Habitat and UNON to the fullest extent feasible, on establishing common institutions for support and services and to ensure that planning and implementation of programmes were tightly linked. The Taskforce gave additional recommendations on regional offices, interlinkages and support from UNEP to environmental and environmental-related conventions.

Recommendation: The CPR recommends that UNEP continues with the ongoing process of strengthening, restructuring and revitalization of the secretariat, based on existing reports from external institutions, internal processes and recommendations in the taskforce report.

III. The secretariat. Assessment of management and relationships

III.1. UNEP Structure and practices

13. The newly proposed functional structure is mainly based on the organizational draft presented to the GC Special Session in May 1998 but the final structure has not yet been decided. The budget proposal for the next biennium should be designed according to the priorities of the new programme.

In the new structure it will be important to address coordination between separate divisions covering different elements of the same sector, for example water. Towards the end, the establishment of separate mechanisms should be considered, e.g. the appointment of task managers. Proper attention should be given to the flow of information between the separate divisions and their activities in the regions.

Recommendation: The CPR endorses the ongoing reform process in UNEP and recommends that it pays special attention to the coordination of sectoral issues, both in headquarters and in the regional offices, establishes appropriate control functions for the allocation and use of funds and provide timely information thereon to governments.

III.2. UNON.Administrative matters

14. UNON as a common service provider for UNEP and UNCHS was established in January 1996 to promote savings and increase efficiency in administration of the two institutions. It rapidly became evident that the initial process lacked the required infrastructure and necessary involvement of the governing bodies of the client institutions.

15. UNEP, UNCHS and UNON, having been organized under a common head, need to work closely together but are presently not yet in a position to do so. Difficulties include incompatibility of computer equipment, the modalities of UNON's formation, financing and the subsequent negative perception of the client organizations. Difficulties have also been encountered because there is an apparent lack of a clearly defined structure and lines of responsibility to govern the relationships between UNON, UNEP and Habitat. The decision-making process also appears to be unnecessarily low.

Recommendation: There is a need to define, in consultation with the CPR as requested by the GC, the roles and tasks of UNON. The respective governing bodies should assist in clarifying these roles and tasks and the structure of UNON and clearly define areas of administrative responsibility and authority between UNON and the client institutions.

16. UNON must address the issue of human resource management, focusing among other matters on perennial and permanent contracts and the transparency and efficiency of the recruitment process. The current problems of attracting high-level personnel needs to be addressed urgently. Similarly, a broadening of the recruitment base through JPOs, secondments and trainees should be considered. This has to be combined with a realistic assessment of the post-adjustment allowances in Nairobi.

17. UNON is presently partly financed through the UN regular budget but largely through external contributions, mainly UNEP. In line with the UN Offices at Vienna and Geneva, contributions from the UN Regular budget to UNON should be enhanced. UNON would then be in a position to offer services to other UN agencies in Nairobi.

18. The establishment of UNON has apparently resulted in savings for UNEP and UNCHS. Transfer of additional functions from the two institutions to UNON is under consideration. This should lead to further savings.

19. Increased reliance on the services of UNON, will require the establishment of a system to ensure quality control and value-for-money. A benchmark system for all administrative services by UNON, such as recently established for UNOV, would provide for transparency and accountability.

Recommendation: The CPR recommends that the contribution of the UN regular budget to UNON be further enhanced. To further increase savings and efficiency the broadening of UNONs client base should be considered. The comprehensive use by other UN entities and permanent missions of UNEP/UNON's Mercure communications system should be realized.

III.3. Relationships.Secretariat/CPR/Governments

20. The relationship between the secretariat and the governments is presented in decision 19/32. This established the High-level Committee of Ministers and Officials (HLCOMO) as a subsidiary organ of the Governing Council and similarly clarified the role and the mandate of the CPR.

21. The CPR takes note of the improvements over the past year on the part of the secretariat with respect to the increased transparency and methods of communication with Permanent Missions and an appropriate level of representation at all meetings.

22. Since GC 19, decisions have concentrated more on giving substantive and clear guidance to the secretariat. This has benefited the work of both the CPR and the secretariat and has resulted in fewer and more significant decisions, avoiding, to some extent, discussions and decisions on procedural issues.

23. However, there is still room for improvement. Dialogue between the secretariat and governments can be further streamlined, e.g., a concerted approach should be followed on financial assistance instead of ad hoc requests from divisions. The need for the secretariat to have a close contact and good channels of communication with the delegations in Nairobi and with capitals should be further improved. This could be achieved through timely distribution of agendas and other information for CPRs and other meetings. UNEP should endeavour to place all documents for major meetings on the Internet in good time.

Recommendation: While acknowledging the improved working relations with the secretariat, the CPR recommends that channels of communication be further improved and document distribution more effectively implemented.

III.4. Relationships.Regional offices/Convention secretariats.

24. Although the six regional offices of UNEP have slightly different functions, they basically liaise for UNEP HQ in their regions and address regional environmental priorities. They also have responsibility to report back on environmental issues in their regions. Furthermore, the regional offices should be proactive, arrange meetings for their constituencies, initiate specific projects and establish good working relations with the countries in their region. However, resources allocated for the regional offices from the UNEP HQ do not always allow for substantial follow-up activities and additional resources are often required by the regions.

Contact between UNEP HQ and the regional offices should be improved so as to have proper information flows and the involvement of regional offices in the planning of activities of UNEP in their regions.

25. Relations between the regional offices and governments could be further enhanced by arranging meetings between the regional directors and the respective regional groups in Nairobi, while the directors are participating in meetings.

26. The importance of a close follow up and support to the relevant convention secretariats by UNEP, particularly administrative, financial and personnel matters, has to be strongly underlined. The CPR concurs with the report from the UN Special Session in June 1997 concerning institutional arrangements between convention secretariats and UNEP. In this regard, both UNEP and convention secretariats should avoid unnecessary duplication and clearly identify complementary services and functions.

Recommendation: The CPR recommends that efforts to strengthen the regional offices be continued. These should include the necessary financial and personnel resources to meet the increased responsibilities. The CPR further recommends that appropriate support and coordination be provided by UNEP to the convention secretariats as mandated by UNGASS.

Annex 1

19/29 B. Assessment of the functioning of the secretariat of the United Nations Environment Programme

Terms of Reference for the Working Group

1. The Committee of Permanent Representatives to UNEP at its 63rd meeting held on 15 July 1998 decided to establish a working group under the CPR to make an assessment of the functioning of the secretariat of the United Nation Environment Programme. The final report of the working group should contain an introductory description on the developments leading to the adoption on decision 19/29 B, by the Governing Council.

2. The working group is further to take into account, the present evolving situation with a new Executive Director of UNEP and his ongoing activities and actions for the reform and restructuring of the organization. The Working Group is to work closely with the secretariat in conducting the study.

3. The working group should also take into account any relevant report, in particular reports from the OIOS, the Executive Director and the United Nations Task Force on Environment and Human Settlements, focusing on the following issues:

   - relationship between the secretariat and the CPR and the governments
   - administrative structure and practices of the secretariat of UNEP and of UNON including financial issues and personnel matters with special reference to consultations with the CPR on decisions to be made
   - relations between the secretariat of UNEP, the regional offices and the related secretariats of conventions

4. Based on available reports and on its discussions, the working group is to prepare an assessment of the functioning of the secretariat and to suggest specific recommendations as to how to make the secretariat more efficient, effective and transparent.

5. The working group should conclude its business by 31 October 1998.